(d) Schemes for utilizing the funds collected under the Additional Excise Duty are under finalization.

Relaxations provided to Uttaranchal

†2948. SHRIMATI KAMLA MANHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the relaxation provided to the new State of Uttaranchal on 7th January, 2003 and after wards by the department of industrial policy and promotion;

(b) the reasons for providing these facilities to the said State;

(c) out of them the factors relevant *vis-a-vis* the State of Chhattisgarh and Jharkhand;

(d) whether these facilities would also be provided to the State of Chhattisgarh;

(e) if so, by when; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) to (f) In pursuance of the announcement made by the then Prime Minister on 29th March, 2002, the Government issued a package of economic incentives on 7th January, 2003 for promoting industrialization in the State of Uttaranchal and Himachal Pradesh. Under the package, various incentives like income tax exemption, excise exemption and capital investment subsidy to new industrial units and existing industrial units on their substantial expansion in the identified locations have been provided. There is no proposal to provide a similar package of incentives for the State of Chhattisgarh.

Steps for healthy growth of exports

2949. SHRI THANGA TAMIL SELVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that while Indian owned and domestic companies are allowed to export Limenite, Rutile etc. directly, companies with foreign equity upto 74 per cent are required to set up value added project;

†Original notice of the question was received in Hindi.

(b) if so, whether Government are aware that this discrimination is likely to deter foreign investors; and

(c) whether Government propose to review this policy Resolution and create a level playing field for all the competitors for the healthy growth of export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) Yes, Sir.

(b) A conscious distinction has been made between Indian owned companies and foreign companies in export of Limenite, Rutile, etc. Foreign investors are allowed to set up highly capital intensive plants for maximization of value addition, upgradation of technology to international standards, attracting funds. They are not permitted to do only mining and mineral separation activities.

(c) The policy is being reviewed on a continuous basis.

Focus on agriculture at WTO meet

2950. SHRI MATILAL SARKAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether agriculture became the point of focus at meeting of some member States of WTO in Paris in the month of July, 2004;

(b) the role of USA and EU in the meeting;

(c) the role of India, and

(d) the resultant agreement, if any?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) to (c) Yes, Sir, Brazil and India represented the G-20 group of like-minded countries on agriculture during this meeting, and presented the proposals of the G-20 towards developing a framework on agriculture. The proposals, *inter alia,* ensures that trade-distorting domestic subsidies provided to their farm sector largely by the developed countries are substantially reduced, their export subsidies eliminated, and market access opportunities for products of export interest to developing countries improve substantially. Moreover, consistent with the Doha mandate to negotiate on agriculture, any additional commitments,